



Alabama Agriculture Relief Program (AARP) Overview:

The Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Pub. L. 116-20), as amended by the Further Consolidated Appropriations Act, 2020 (Pub. L. 116-94), provided funds for necessary expenses related to losses of crops, trees, bushes, and vines related to the consequences of Hurricane Michael in 2018.

The United States Department of Agriculture – Farm Service Agency agreed to grant \$14.9 Million to the Alabama Department of Agriculture & Industries. This grant covers qualifying losses associated with Hurricane Michael not covered by other USDA disaster programs for the following:

- Beef Cattle**
- Poultry**
- Pecan Production**
- Horticulture crops (including bare-ground losses)**
- Uninsured Infrastructure losses**

The eligible affected areas, per USDA, must be in a Hurricane Michael USDA Disaster Declared AL County, which is Barbour, Bullock, Coffee, Covington, Crenshaw, Dale, Escambia, Geneva, Henry, Houston, Pike, Montgomery, and Russell.

Payment Formulas, per eligibility:

A. Beef Cattle Losses:

The State will issue payments to eligible livestock owners, specifically for beef cattle losses due to Hurricane Michael. There are two formulas for capturing offspring losses resulting from the hurricane impacts and they include conception rate reductions that resulted in the stress placed on beef cattle and mortality losses of the breeding herd.

Conception losses will be determined based on the breeding age females in the beef cattle herd at the time of Hurricane Michael.

- a. Breeding age females at the time of Hurricane Michael - the cows that died in Hurricane Michael = the eligible animals for payment.
- b. Producers will be required to provide the conception rate (percentage) of the prior year and the conception rate (percentage) for the year following Hurricane Michael.
- c. The conception rate prior to Hurricane Michael - the conception rate after Hurricane Michael = reduced conception rate (percentage)
- d. The eligible animals for payment (a.) x reduced conception rate (percentage) (c.) x \$661.19 = conception loss payment. (ex. 20 animals x 10% x \$661.19 = \$1,322.38)

Offspring loss due to mortality of the breeding herd utilizes the breeding age females that died in the hurricane x \$661.19 = mortality loss payment (ex. 5 breeding age females (mortality) x \$661.19 = \$3,305.95)

Key factor/note used for livestock: \$661.19 per cow reflects the 2018 Livestock Indemnity Program national average market price for 400-799 pounds non-adult beef animals with the 75% factor already applied.

B. Poultry:

The State will issue payments to eligible producers for poultry house damage and loss due to Hurricane Michael. Eligibility is limited to poultry houses that had poultry present at the time of the hurricane and such poultry must have suffered a 15 percent death loss because of Hurricane Michael to qualify for payment. The following calculations will be used by type of poultry house.

Destroyed broiler house: square footage of the broiler house destroyed x \$14/square foot x 75 percent - property & casualty insurance reimbursement = payment

Damaged broiler house: square footage of the broiler house destroyed x \$5.50/square foot x 75 percent – property & casualty insurance reimbursement = payment

Note – If a property and casualty insurance payment was made applicants must provide appropriate documents.

Key factor/note used for poultry: The square footage rate of \$14 and \$5.50 was established by ADAI & industry leaders.

C. Pecans:

The State will issue payments to eligible producers for pecan losses due to Hurricane Michael. Pecan trees were severely impacted by Hurricane Michael, which damaged or destroyed pecan trees, requiring removal and replanting of trees. As a result, producers will have decreased production over several years waiting for newly planted pecan trees to reach full production. Producers are eligible to receive a payment for variable rate of lost production. To be eligible, a producer must show a minimum of 15 percent production loss as a result of Hurricane Michael to qualify for the production loss payment.

The following calculation will be used.

Trees lost, as reported by producer divided by 10 trees/acre = acres lost.

Acres lost x \$2,708.00 per acre = payment

Key notes/facts for pecans:

10 trees per acre is the industry average in Alabama.

75% payment factor rate is applied for the \$2,708.00 per acre payment amount.

D. Uninsured Infrastructure

The State will issue payments to eligible producers for uninsured infrastructure losses due to Hurricane Michael. Eligibility is limited to those structures that had commodities present at the time of the hurricane that suffered losses due to the hurricane (ex. Hay barn, grain bin, commodity barn, packing house, etc.). This does not include equipment buildings, repair shops, etc.

For a producer to qualify, they must be able to show a 15 percent production loss of a commodity housed inside the farming infrastructure because of the hurricane.

1. Building Structures: cost of repairs/restoration for an in-kind storage structure minus any insurance claim reimbursement = net loss x a 50 percent payment factor = payment.

Such payment for all structures cannot exceed \$50,000.00

Irrigation structures are eligible for reimbursement but is limited to only the structure above ground level and excludes generators, pumps, and wells.

- 2. Irrigation Structures: cost of repairs/restoration for an in-kind storage structure minus any insurance claim reimbursement = net loss x a 50 percent payment factor = payment.**

Such payment for all irrigation structures cannot exceed \$50,000.00

Note – If an insurance payment was made applicants must provide appropriate documents.

E. Horticulture Crops (Bare-ground):

The State will issue payments to eligible producers for horticulture crop practice losses due to Hurricane Michael. Hurricane Michael had an adverse impact on bare-ground practices, and the following calculation will be used to compensate producers for the cost incurred to re-establish that practice. To be eligible, a producer must show a minimum of 15 percent crop loss as a result of Hurricane Michael to qualify for the practice reimbursement on those acres damaged.

Horticulture (Bare-ground): damaged acres x payment rate of \$360 per acre = payment rate

Key factor/note: The bare-ground production costs as calculated by ADAI resulted in an average \$479.83 per acre with a 75 payment factor applied is \$360.00 per acre. These are to reimburse for production costs associated with land structure recovery, land prep including mowing and harrowing under damaged plants and cover crop to prevent erosion.

Subject to the terms and conditions of the grant agreement, the state will factor such formulas to ensure that each eligible producer receives benefits not to exceed a combined payment limitation of \$900,000 for any or all parts for which such producer receives a payment under this grant program.

Application Period Opens April 26th at 9:00 am and ends on June 25th.

Please apply at: agi.alabama.gov and access the appropriate commodity:

- 1. You must be an Alabama resident.**
- 2. The affected poultry house must be in a Hurricane Michael USDA Disaster Declared AL County.**

Eligible Counties = Barbour, Bullock, Coffee, Covington, Crenshaw, Dale, Escambia, Geneva, Henry, Houston, Pike, Montgomery, and Russell.

- 3. Applicants verification of enrollment into the State of Alabama Accounting and Resource System (STAARS). Refer to agi.alabama.gov for enrollment details.**

- 4. ADAI will require each applicant to submit the following to qualify for eligibility:**

- Enrollment into STAARS**
- Successful submission of this application and signed acknowledgement form**

If you have any questions regarding eligibility, please call 334-240-7100 or email:

aarp-questions@agi.alabama.gov